

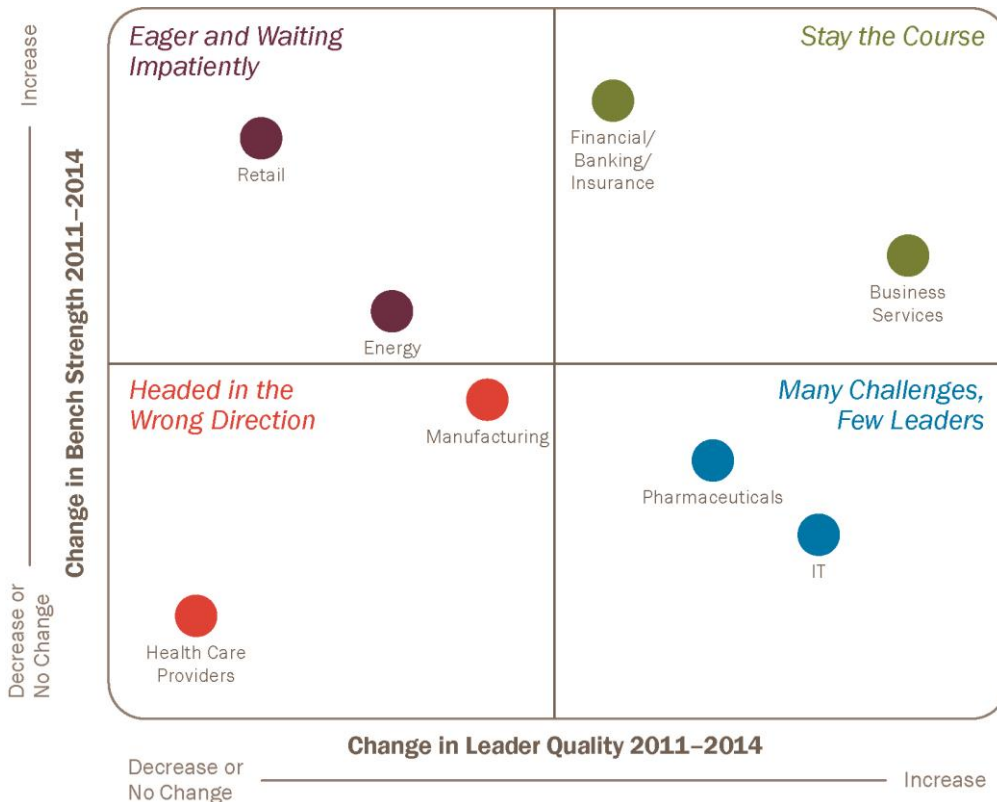


Leadership Readiness

Which Industries Are Rising, Which Are Falling?



Leader Quality and Bench Strength Trends by Industry



Indicates results that are based on the global sample

Some Are Facing Greater Leadership Shortages

Which industries have the best supply of leaders prepared to tackle their business challenges? We examined how various industries have changed in the past few years and what leadership readiness trends have emerged since 2011 to address this issue head on, as shown in the figure at left. “Stay the Course” industries, such as business services, are in improving positions, probably because they are investing heavily in developing their leaders. For Australia, this finding holds promise because a large proportion of its workforce is either in or moving into these industries.

Industries that are “Headed in the Wrong Direction” are struggling due to changing business environments and demographics. The health care industry, for instance, faces intense talent shortages, an aging customer base that requires greater care, and evolving government regulations. This is an alarming position for Australia to be in: Its healthcare and social assistance industry, which is forecast to continue to grow over the next five to ten years, currently employs more people than any other industry.*

“Many Challenges, Few Leaders” industries lack a sufficient supply of leaders prepared to lead in fast-changing, technical environments. For example, STEM (science, technology, engineering, mathematics) and leadership skills can be a winning combination, but they also can be difficult to find in the current talent pool. In response, organizations need to provide acceleration programs for leaders in their leadership pipeline or attract new leaders from nontraditional external sources.

Leaders in “Eager and Waiting Impatiently” industries can offer improving leadership quality, though they need to continue to focus on enhancing their capabilities, especially in competitive industries like retail. Like healthcare, retail is a major employer in Australia and is also forecast to grow in the next five to ten years.* A sufficient supply of leaders gives organizations a stable labor market, although recruiting top talent will likely remain competitive.

* Department of Employment. (2014). *Australian Jobs 2014*. Australian Government.

Now What



1. “Many Challenges, Few Leaders” and “Headed in the Wrong Direction” industries can consider expanding the pool of candidates to attract leaders from other industries and provide intense on-boarding experiences (e.g., coaching, mentorship, networking opportunities) to encourage their integration into the organization.
2. Leaders in “Eager and Waiting Impatiently” industries will demand more opportunities to develop. For that reason, organizations will need to explore new, unique ways to develop the required skills while promoting innovation and creativity among their leaders.